

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0769.01 Rebecca Bayetti x4348

HOUSE BILL 26-1102

HOUSE SPONSORSHIP

Lindsay,

SENATE SPONSORSHIP

(None),

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE FUNDING OF THE COLORADO DRIVES VEHICLE
102 SERVICES ACCOUNT IN THE HIGHWAY USERS TAX FUND.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill makes the following changes to increase the amount of revenue that is directed to the Colorado DRIVES vehicle services account (DRIVES account) created in the highway users tax fund (HUTF):

- Beginning on July 1, 2027, increases revenue to the DRIVES account by redirecting \$2 of each late vehicle registration fee from the HUTF to the DRIVES account

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

- and, consistent with current law, crediting the remainder of the fees to the HUTF (**sections 1, 2, and 4** of the bill);
- Increases revenue to the DRIVES account by authorizing the department of revenue, beginning on August 12, 2026, to charge a fee for an individual who fails to appear at a scheduled appointment for a driver's license, identification card, or related service or who cancels a scheduled appointment within the 24-hour period preceding the appointment time, and crediting this fee to the DRIVES account (**section 3**); and
- Beginning on July 1, 2026, increases revenue to the DRIVES account by redirecting fees for special vehicle registrations for personalized license plates from the HUTF to the DRIVES account, except that, consistent with current law, \$2 of each fee is remitted to the county general fund (**sections 1, 2, and 5**).

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 42-1-211, **amend as**
3 **it exists until July 1, 2027**, (2)(a) as follows:

4 **42-1-211. Driver's license, record, identification, and vehicle**
5 **enterprise solution - DRIVES vehicle services account - Colorado**
6 **DRIVES county governance committee - definition - repeal.**

7 (2) (a) The Colorado DRIVES vehicle services account is created
8 in the highway users tax fund for the purpose of providing funds for the
9 development and operation of Colorado DRIVES, including operations
10 performed under articles 2, 3, 4, 6, 7, and 12 of this title 42, to cover the
11 costs of administration and enforcement of the motorist insurance
12 identification database program created in section 42-7-604, and to
13 purchase and issue license plates, decals, and validating tabs in
14 accordance with article 3 of this title 42. THE STATE TREASURER SHALL
15 CREDIT money received from the fees imposed by sections 38-29-138 (1),
16 (2), (4), and (5), 42-1-206 (2)(a), 42-1-210 (1)(a)(II), 42-1-231, 42-1-233

1 (3)(b), 42-2-107 (1)(a)(I), 42-2-114 (2)(b), (2)(c)(I), (2)(c)(II), (2)(e), and
2 (4)(a), 42-2-114.5 (1), 42-2-117 (1), 42-2-118 (1)(b)(I)(C) and (1.5)(b),
3 42-2-133 (2), 42-2-306 (2), 42-2-406 (1), (2), (3)(d), and (6), 42-2-508
4 (1), 42-3-107 (22), **42-3-211 (7)**, 42-3-213 (1)(b)(IV), 42-3-304
5 (18)(d)(I)(B), 42-3-306 (14), 42-3-312, 42-3-313 (2)(c)(I), 42-6-110
6 (1.7)(c), 42-6-137 (1), (2), (4), (5), and (6), and 42-6-138 (1)(a), (2), and
7 (4) and any money received through gifts, grants, and donations to the
8 account from private or public sources for the purposes of this section
9 shall be credited by the state treasurer to the Colorado DRIVES vehicle
10 services account. The general assembly shall appropriate annually the
11 money in the account for the purposes of this subsection (2). If any
12 unexpended and unencumbered money remains in the account at the end
13 of a fiscal year, the balance remains in the account and is not transferred
14 to the general fund or any other fund.

15 **SECTION 2.** In Colorado Revised Statutes, 42-1-211, **amend as**
16 **it will become effective July 1, 2027,** (2)(a) as follows:

17 **42-1-211. Driver's license, record, identification, and vehicle**
18 **enterprise solution - DRIVES vehicle services account - Colorado**
19 **DRIVES county governance committee - definition - repeal.**

20 (2) (a) The Colorado DRIVES vehicle services account is created
21 in the highway users tax fund for the purpose of providing funds for the
22 development and operation of Colorado DRIVES, including operations
23 performed under articles 2, 3, 4, 6, 7, and 12 of this title 42, to cover the
24 costs of administration and enforcement of the motorist insurance
25 identification database program created in section 42-7-604, and to
26 purchase and issue license plates, decals, and validating tabs in
27 accordance with article 3 of this title 42. THE STATE TREASURER SHALL

1 CREDIT money received from the fees imposed by sections 38-29-138 (1),
2 (2), (4), and (5), 42-1-206 (2)(a), 42-1-210 (1)(a)(II), 42-1-231, 42-1-233
3 (3)(b), 42-2-107 (1)(a)(I), 42-2-114 (2)(b), (2)(c)(I), (2)(c)(II), (2)(e), and
4 (4)(a), 42-2-114.5 (1), 42-2-117 (1), 42-2-118 (1)(b)(I)(C) and (1.5)(b),
5 42-2-133 (2), 42-2-306 (2), 42-2-406 (1), (2), (3)(d), and (6), 42-2-508
6 (1), 42-3-107 (22), **42-3-112 (2), 42-3-211 (7),** 42-3-213 (1)(b)(IV),
7 42-3-304 (18)(d)(I)(B), 42-3-306 (14), 42-3-312, 42-3-313 (2)(c)(I),
8 42-3-315, 42-6-110 (1.7)(c), 42-6-137 (1), (2), (4), (5), and (6), and
9 42-6-138 (1)(a), (2), and (4) and any money received through gifts,
10 grants, and donations to the account from private or public sources for the
11 purposes of this section ~~shall be credited by the state treasurer~~ to the
12 Colorado DRIVES vehicle services account. The general assembly shall
13 appropriate annually the money in the account for the purposes of this
14 subsection (2). If any unexpended and unencumbered money remains in
15 the account at the end of a fiscal year, the balance remains in the account
16 and is not transferred to the general fund or any other fund.

17 **SECTION 3.** In Colorado Revised Statutes, 42-2-114.5, **amend**
18 (2)(o) and (2)(p); and **add** (2)(q) as follows:

19 **42-2-114.5. Fees for driver's licenses, identification cards, and**
20 **related services - crediting to DRIVES account - fee setting**
21 **procedures - rules.**

22 (2) Except as provided in subsection (3) of this section, the
23 following fees must be paid for the following functions:

24 (o) The fee for licensing driving testers under section 42-2-406 (5)
25 is one hundred forty-eight dollars for the initial license and one hundred
26 forty dollars for each subsequent annual license renewal; **and**

27 (p) The fee for issuing an identification document under part 5 of

1 this ~~article~~ ARTICLE 2; AND

2 (q) (I) ON AND AFTER AUGUST 12, 2026, THE DEPARTMENT IS
3 AUTHORIZED TO CHARGE A FEE FOR:

4 (A) AN INDIVIDUAL WHO FAILS TO APPEAR AT A SCHEDULED
5 APPOINTMENT FOR ANY SERVICE OFFERED BY THE DEPARTMENT PURSUANT
6 TO THIS ARTICLE 2; AND

7 (B) AN INDIVIDUAL WHO CANCELS A SCHEDULED APPOINTMENT
8 FOR ANY SERVICE OFFERED BY THE DEPARTMENT PURSUANT TO THIS
9 ARTICLE 2 WITHIN THE TWENTY-FOUR-HOUR PERIOD PRECEDING THE
10 SCHEDULED APPOINTMENT TIME.

11 (II) THE DEPARTMENT SHALL ADOPT RULES THAT ESTABLISH THE
12 AMOUNT OF THE FEE SET FORTH IN THIS SUBSECTION (2)(q) AND THE
13 CIRCUMSTANCES UNDER WHICH AN INDIVIDUAL DESCRIBED IN SUBSECTION
14 (2)(q)(I) OF THIS SECTION IS NOT REQUIRED TO PAY THE FEE, WHICH MUST
15 INCLUDE:

- 16 (A) ACTS OF GOD AND WEATHER-RELATED DELAYS;
- 17 (B) OFFICE CLOSURES AND FURLoughs;
- 18 (C) MEDICAL HARDSHIPS; AND
- 19 (D) INFORMATION TECHNOLOGY FAILURES.

20 **SECTION 4.** In Colorado Revised Statutes, 42-3-112, **amend** (2)
21 as follows:

22 **42-3-112. Failure to pay tax - penalty - rules - repeal.**

23 (2) THE DEPARTMENT OR THE AUTHORIZED AGENT THAT
24 REGISTERS THE MOTOR VEHICLE SHALL RETAIN ten dollars of the late
25 registration fee. ~~shall be retained by the department or the authorized~~
26 ~~agent who registers the motor vehicle~~ Each authorized agent shall remit
27 to the department no less frequently than once a month, but otherwise at

1 the time and in the manner required by the executive director of the
2 department, the remainder of the late registration fees collected by the
3 authorized agent. The executive director shall forward all late registration
4 fees remitted by authorized agents plus the remainder of the late
5 registration fees collected directly by the department to the state treasurer,
6 who shall credit THE LATE REGISTRATION FEES AS FOLLOWS:

7 (a) (I) ~~The~~ FOR LATE REGISTRATION FEES FORWARDED ON OR
8 BEFORE JUNE 30, 2027, ALL fees to the highway users tax fund in
9 accordance with section 43-4-804 (1)(e). ~~C.R.S.~~

10 (II) THIS SUBSECTION (2)(a) IS REPEALED, EFFECTIVE JULY 1, 2028.

11 (b) FOR LATE REGISTRATION FEES FORWARDED ON AND AFTER
12 JULY 1, 2027, TWO DOLLARS OF EACH LATE REGISTRATION FEE TO THE
13 COLORADO DRIVES VEHICLE SERVICES ACCOUNT CREATED IN SECTION
14 42-1-211 (2) IN THE HIGHWAY USERS TAX FUND AND THE REMAINDER OF
15 THE FEES TO THE HIGHWAY USERS TAX FUND IN ACCORDANCE WITH
16 SECTION 43-4-804 (1)(e).

17 **SECTION 5.** In Colorado Revised Statutes, 42-3-211, **amend** (7)
18 as follows:

19 **42-3-211. Issuance of personalized plates authorized.**

20 (7) (a) All applications for special registration of motor vehicles
21 ~~shall~~ MUST be made directly to the department, and THE DEPARTMENT
22 shall ~~be administered by~~ ADMINISTER the ~~department~~ SPECIAL
23 REGISTRATIONS.

24 (b) (I) (A) All fees received ON OR BEFORE JUNE 30, 2026, from
25 special registrations ~~shall be~~ ARE credited to the highway users tax fund
26 created in section 43-4-201 ~~C.R.S.~~, and allocated and expended as
27 specified in section 43-4-205 (5.5)(b); ~~C.R.S.~~ except that two dollars of

1 each such special registration fee collected pursuant to paragraphs (a) to
2 (d) of subsection (6) SUBSECTIONS (6)(a) TO (6)(c) of this section shall be
3 IS remitted to the county general fund.

4 (B) THIS SUBSECTION (7)(b)(I) IS REPEALED, EFFECTIVE JULY 1,
5 2027.

6 (II) ON AND AFTER JULY 1, 2026, ALL FEES RECEIVED FROM
7 SPECIAL REGISTRATIONS ARE CREDITED TO THE COLORADO DRIVES
8 VEHICLE SERVICES ACCOUNT CREATED IN SECTION 42-1-211 (2) IN THE
9 HIGHWAY USERS TAX FUND; EXCEPT THAT TWO DOLLARS OF EACH SPECIAL
10 REGISTRATION FEE COLLECTED PURSUANT TO SUBSECTIONS (6)(a) TO
11 (6)(c) OF THIS SECTION IS REMITTED TO THE COUNTY GENERAL FUND.

12 **SECTION 6. Safety clause.** The general assembly finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety or for appropriations for
15 the support and maintenance of the departments of the state and state
16 institutions.